



TOWN OF CHAPEL HILL

Town Council

Meeting Minutes - Draft

Town Hall
405 Martin Luther King Jr.
Boulevard
Chapel Hill, NC 27514

Mayor Pam Hemminger
Mayor pro tem Jessica Anderson
Council Member Donna Bell
Council Member Allen Buansi
Council Member Hongbin Gu

Council Member Nancy Oates
Council Member Michael Parker
Council Member Rachel Schaevitz
Council Member Karen Stegman

Wednesday, May 9, 2018

7:00 PM

RM 110 | Council Chamber

Roll Call

Present: 9 - Mayor Pam Hemminger, Mayor pro tem Jessica Anderson, Council Member Donna Bell, Council Member Allen Buansi, Council Member Hongbin Gu, Council Member Nancy Oates, Council Member Michael Parker, Council Member Karen Stegman, and Council Member Rachel Schaevitz

Other Attendees

Town Manager Roger L. Stancil, Deputy Town Manager Florentine Miller, Town Attorney Ralph Karpinos, Communications Manager Catherine Lazorko, Planning and Development Services Operations Manager Judy Johnson, Senior Planner Aaron Frank, Assistant Chief of Police Jabe Hunter, Community Resilience Officer John Richardson, Assistant Town Manager Mary Jane Nirdlinger, Business Management Director Kenneth C. Pennoyer, Director of Planning and Development Services Ben Hitchings, Fire Inspector Greg Peeler, Planner II Jake Lowman, Housing & Community Executive Director Loryn Clark, Business Management Assistant Director Amy Oland, Budget Manager Matt Brinkley, Economic Development Officer Dwight Bassett, Principal Planner Corey Liles, Deputy Town Clerk Amy Harvey

OPENING

a. Successes Video - Transforming Ideas

[\[18-0431\]](#)

Mayor Hemminger opened the meeting at 7:00 pm and introduced a short video about improvements in downtown Chapel Hill. The video showed how the Town was responding to citizens' interests and ideas. Mayor Hemminger noted that staff spent extra time and energy preparing for special events, such as UNC's upcoming graduation weekend. She specifically thanked Doug Rothwell, a Chapel Hill resident, for proposing ideas that had made a difference downtown.

b. Proclamation - Mental Awareness Month**[\[18-0432\]](#)**

Council Member Bell read a proclamation regarding a nationwide effort to reduce the stigma associated with mental health challenges and to increase awareness of related resources. The petition proclaimed May 2018 to be Mental Health Awareness Month in Chapel Hill and called upon citizens to increase awareness and understanding of mental health issues and to help improve the array of mental health services. North Carolina served individuals and families who were living with mental illness through the National Alliance on Mental Illness Orange County (NAMI OC), Council Member Bell said.

Joanna Bowen, representing NAMI OC, thanked the Town for the proclamation and said that NAMI had been working hard to help young people learn about, and be willing to talk about, mental health issues. She said that Town employees could learn basic facts about mental illness through a course called Mental Health First Aid. Ms. Bowen noted that a majority of those who were languishing in emergency rooms were people with mental health conditions. "We need to do better," Ms. Bowen said.

PUBLIC COMMENT - ITEMS NOT ON AGENDA**[\[18-0433\]](#)****a. Maria Palmer Regarding the Silent Sam statue.****[\[18-0434\]](#)**

Mayor Hemminger clarified that the Town was not spending resources on protecting the statue, and had never done so. Town resources were called in to protect people near the statue when activities occur there, she said.

A motion was made by Council Member Bell, seconded by Council Member Parker, that this Petition was received and referred to the Town Manager and Mayor. The motion carried unanimously.

ANNOUNCEMENTS**[\[18-0435\]](#)****a. Mayor Hemminger Regarding Charting Our Future.****[\[18-0436\]](#)**

Mayor Hemminger encouraged all to participate in a kick-off event for the Town's Future Land Use Map rewrite. The event would take place the following evening from 5:30-7:30 pm at the Franklin Hotel, she said.

b. Mayor Hemminger Regarding Spring Craft Bazaar**[\[18-0437\]](#)**

Mayor Hemminger announced a Spring Craft Bazaar on Saturday, from noon to 5:00 pm at 140 West Plaza. She said that the event would include food, music and activities.

c. Mayor Hemminger Regarding Public Information Meeting for Business in Enterprise Zone**[\[18-0438\]](#)**

Mayor Hemminger told citizens to look for an announcement regarding a

public information meeting, to be held on Monday. She said they would explore opportunities in the Town's new Enterprise Zone.

d. Mayor Hemminger Regarding Council Budget Work Session
May 16, 6:30 p.m. at Library

[\[18-0439\]](#)

Mayor Hemminger said that a Council Budget Work Session would be held on May 16th at 6:30 pm at the Chapel Hill Public Library.

e. Council Member Buansi Regarding Bails and Court Fees
Conference at NC Central

[\[18-0440\]](#)

Council Member Buansi announced a conference regarding the criminal justice system that would address how bails and fees were particularly onerous on poor people. The conference would be held on Tuesday from 9:30 am to 2:30 pm and people could preregister at ncracialjustice.org, he said.

f. Council Member Buansi Regarding The Voice Chapel Hill
Resident Competitor

[\[18-0441\]](#)

Council Member Buansi reported that Rayshun LaMar, a Chapel Hill resident, had become one of the final eight contestants on NBC's "The Voice" and would be performing again on Monday at 8:00 pm.

g. Council Member Buansi Regarding Floraffitti

[\[18-0442\]](#)

Council Member Buansi said that "Floraffitti" would begin on Friday. If residents were walking around downtown and noticed plants in the shape of words, that was not an accident, he said. Council Member Buansi recommended that residents be on the lookout for what he described as a great program that engages people of all ages.

AGENDA ITEMS

1. Open the Public Hearing: Recommended Budget for FY
2018-2019. (no attachment)

[\[18-0417\]](#)

Town Manager Roger Stancil gave a PowerPoint presentation on the Manager's recommended budget for Fiscal Year 2018-2019. The budget included a 3-cent combined tax increase and supported the Council's strategic priorities, he said. There was no proposed change in core service levels and no change in number of full time employees, he pointed out.

Mr. Stancil said that the budget would rebuild General Fund reserves, invest in maintenance, implement cost controls, and reduced some costs in order to offset an increased allocation of funds to maintenance. The proposed 3-cent tax increase would be for maintaining the Transit System (1.0 cent), funding major capital projects (0.8 cent), and supporting core services and restoring General Fund reserves (1.2 cents), he said.

Mr. Stancil pointed out that satisfaction with core Town services was 29 percent higher than the national benchmark, according to a recent Town survey. He proposed a 3 percent of market salary adjustment for current employees and said that employees had concurred with staff's recommendation to initiate a medical insurance deductible, which would maintain premium costs for the coming fiscal year.

Mr. Stancil said that the Town's fund balance reserve had dropped below 22 percent, noting that 22 to 30 percent was appropriate. He explained that the Town had used those reserves -- as well as lapsed salaries -- in recent years in order to avoid a tax increase. The current recommended approach would help replenish that reserve, he said. He also discussed the Town's OPEB contribution, Wellness Program, and maintenance needs.

Mr. Stancil said that next steps in the budget process would include three budget work sessions (May 16th, May 30th, June 6th) and adoption of the budget on June 13, 2018. He explained what budget information was on the Town's website.

Council Member Schaevitz confirmed with Mr. Stancil that the Council would discuss how the savings in healthcare costs would be reflected in the budget with him at the budget work sessions.

Robert Dowling, Community Home Trust (CHT) executive director, thanked the Town for funding affordable housing and for approving a \$10 million affordable housing bond. On behalf of CHT, he asked for an additional \$7,500 in the new budget. Mr. Dowling provided information about recent CHT projects, current inventory, and anticipated projects. He said that CHT was grateful for the Town's support.

Maria Palmer urged the Council to consider selling a portion of its Legion Road property. That was something the Town had intended to do in order to repay what it had borrowed from the Fund Balance to pay the debt on that property, she said. She said that the Fund Balance was not low because of rising costs but because the Town had chosen to buy things that were not within its budget.

Ms. Palmer said that developing a small portion of the Legion Road property could generate income to sustain some Town services and serve the community's commercial needs while preserving the vast majority of Legion Road land for parkland recreation. It would be difficult to ask citizens to support a bond when the last one had been promised for one thing but used for something else, Ms. Palmer said.

Mayor pro tem Anderson stated that she had many concerns about the budget. She was not comfortable with a 3-cent tax increase without looking for other ways to reduce expenses, she said. She expressed interest in potentially delaying some things and said she thought that others could be reduced without impacting the quality of life in Town.

Mayor pro tem Anderson requested that senior staff and the Council return with more ideas.

Mayor pro tem Anderson said that a bus advertising program, which allowed anti-Semitic advertisements, was against community values. That program was not making money and was a minor line item that needed to be discussed, she said.

Council Member Bell proposed that the Council take a long-range view before pushing for a zero tax increase. She said that the Town could not continue to push its needs down the road and that reducing the proposed increase would require a larger conversation. Council Member Bell said that part of the reason why she found the proposed budget difficult was that the current Council had not come up with a strategic plan. That made it difficult to decide which things could be put off or done differently, she said.

Council Member Bell said that the Town had faced a tax increase but had gotten it down to zero every year over the 10 years that she had been serving on the Council. And she had felt every year that the Town would eventually need to pay for those decisions, she said. Council Member Bell said she agreed with trying to spread the amount out, or changing policy in some ways. However, she appreciated finally having an opportunity to talk about how to fund things, rather than having the Manager be responsible for trying to fund the Town without any increase in revenue, she said.

Mayor Hemminger reminded staff that she had asked to see what a 3-cent tax increase would look like for homes and businesses in the \$350,000 range, and up. She had wanted to have that information available for the current meeting and hoped it would be posted on the Town's website so that people could understand what it would mean for them personally, she said. She agreed that something had to give when General Fund expenses exceed revenues year after year. Chapel Hill's tax rate is in the lower mid-point range for North Carolina, but was one of the highest rates when combined with county and school taxes, she said.

Mayor Hemminger acknowledged that raising taxes was painful for everyone. She pointed out that the Town offered a lot of great services and wanted to do a lot of exciting things. Chapel Hill would have to cut back expenses, or raise revenues, or do some of both, and she thought there were opportunities to look at those trade-offs, she said. Mayor Hemminger pointed out that sales tax numbers had been growing and that benefits from recent ventures would be realized in the future. She agreed that the Debt Fund needed to be addressed and looked at over a 10-year period.

Mayor Hemminger asked to see what the trade-offs would be "if we spread it out differently" over several years. She pointed out that the budget had

been posted on the Town website and said that the Council welcomed citizen feedback and communication with the public.

Mayor Hemminger proposed finding \$7,500 in the budget for CHT, and Mr. Stancil replied that it was already in the recommended budget due to an agreement among all jurisdictions on how to fund the CHT.

This item received as presented.

2. 2018 Chapel Hill Community Survey Results.

[\[18-0418\]](#)

Mr. Stancil presented a report on the 2018 Community Survey, conducted by ETC Institute, and noted that previous surveys could be found online. The survey measured public perceptions on the quality of Town services and trends and allowed bench-marking against other municipalities, he said. He said that an ETC consultant would present results.

Mr. Stancil reported that survey respondents had emphasized issues with traffic flow and public parking. Satisfaction with street maintenance, access to information about Town issues, ease of parking payment options, and maintenance of Town buildings and facilities, had decreased he said. (He pointed out that the Town had recently purchases new parking meters and was in the process of installing them in the Downtown.)

Mr. Stancil explained how the data had been collected and used and said that the survey had cost \$17,000. Next steps would be to hear feedback from the Council, he said, and he noted that a community event, such as a hackathon, would be held in the near future to generate ideas regarding what the data revealed.

Chris Tatum, a consultant with ETC Institute, gave a PowerPoint presentation that addressed how ETC had developed the survey and he discussed cultural norms that impact respondent's ratings. He outlined the survey's goals and methodology and said that Town engagement was high. He displayed a map showing where respondents live and he pointed out that they were evenly distributed throughout Town, geographically and demographically.

Mr. Tatum said that the survey had found high satisfaction with the Town's quality of life but a need for improved traffic flow and parking. The Town's goal should probably be to make sure those problems do not get worse, he said. He said that the Town had been responsive to citizens for a very long time and that overall satisfaction with Town services was 29 percent higher than the national average.

With regard to strategic indicators of community health, the Town had a great future, Mr. Tatum said. He reported that the majority of categories had received positive ratings, with the exception of "quality of new

development" in Town. Concerns about traffic flow and public parking had not caused people to lose confidence in the Town, but the Council should be sure to communicate what it was doing to improve the situation, he said.

Mr. Tatum emphasized the need for communication tools to replace the local newspaper. He recommended making sure that people know about opportunities for public involvement and understand how the Town uses their input. In conclusion, Mr. Tatum said that residents' ratings were way above the national average -- especially with regard to transit -- but traffic flow and congestion and planning for growth needed to be managed so that people do not lose confidence in the Town.

Mayor pro tem Anderson confirmed with Mr. Tatum that there had been a significant sample for each of the Town's core age groups. It had been about 1/5 for each of the groups, with 65 and over representing 16-17 percent, he said.

Mayor pro tem Anderson asked if there had been any information regarding why there was discontent with newer development.

Mr. Tatum replied that the survey did not include follow-up questions for most of the categories. He pointed out that a further breakdown of the data could look at the profiles of those who had given negative feedback. ETC had not done that analysis, but it had provided relevant data to Town staff, he said.

Mayor pro tem Anderson asked Mr. Stancil if staff had Homeowners Association (HOA) or neighborhood contacts through which it could reach citizens.

Mr. Stancil replied that the Town was in the process of redesigning its website and was compiling lists of HOA presidents and neighborhood leaders. Staff was also trying to tap the hundreds of email lists that different Town groups had in order to compile those in a way that would respect people's privacy, he said.

Council Member Oates expressed interest in seeing how demographic information had changed over the years. She cautioned against "teaching to the test," such as creating a Town for one specific demographic while everyone else leaves.

Mr. Tatum replied that age distribution was the only factor that ETC monitored. However, they did look at race and had noticed that more Hispanics were currently included than when the survey was first done, he said. ETC looked at how the sample composition changed as the census changed in order to make sure that the sample reflected the real world, he said.

Council Member Oates confirmed with Mr. Tatum that the survey would show if changes the Town made were geared toward one particular group. He said that breaking the data down for subgroups was very important in that respect. The Town could project what was likely to happen in the future if a certain segment of the population were to grow a lot over the next 10 years, Mr. Tatum said.

Council Member Bell pointed out that "management of traffic flow" had stayed at the same low/average range over several surveys. She pointed out that many of the traffic issues were out of the Town's control.

Mr. Tatum pointed out that the order of top priorities in Chapel Hill 2020 had been: public safety, being good stewards, and getting around. He believed that getting around would move up the list if the Town does not address it, he said. If a couple of places were current bottlenecks, the issue was whether the Town would find a way to get people through at a reasonable rate. Mr. Tatum cautioned against having expectations so much higher than what can be achieved that people start to feel that their quality of life is suffering.

Council Member Gu confirmed with Mr. Tatum that there had been an 18 percent response rate from 2500 households. He explained that the survey was a simple random sample, but that ETC had made an effort to over-sample renters, who tend to respond at half the rate of homeowners.

Council Member Gu asked if the survey had been stratified by education or income. She noted the very well-educated and high-income sample.

Mr. Tatum replied that the ample might have been a little higher than the census, but was not radically different.

Council Member Gu pointed out that the Town did want to know the perception of those with lower income and education levels and she asked about the percentage of lower income respondents.

Mr. Tatum replied that determining that would take more resources but that it could be done in the future. The number of lower income respondents was statistically significant, if the Council wanted to see how it compared to upper income respondents, but the margin of error would be much higher because of the smaller sample, Mr. Tatum said.

Council Member Gu asked about long-term and short-term trends regarding the drop in satisfaction with overall quality of life since 2009.

Mr. Tatum replied that there was not a simple answer. It was a function of so many things -- such as schools, shopping, police protection, services, amenities, and so forth, that the survey could not reveal that, he said. However, there was some data analysis that the Town could do to determine a profile of those who were not satisfied, he said. Mr. Tatum

pointed out that perceptions of quality of life were down, nationally, from a decade ago.

Council Member Gu asked what it meant that the level of public involvement in Town decision-making was the lowest satisfaction item and had dropped 15 percent from 2009 and 17 percent from 2015.

Mr. Tatum replied that the questions included whether people believe there were opportunities for them to share their opinions and ideas. The survey also asked about how the Town used that information and reported back to the public, he said. Mr. Tatum pointed out that people will blame local government if they do not know where and when meetings are held. He recommended that the Council promote meetings widely and follow up to make sure people are aware of them. In addition, the Town needed to let the community know how their voices were affecting Council decisions, Mr. Tatum said.

Council Member Gu confirmed with Mr. Tatum that he could show data from nearby towns for comparison and that the raw survey data was on the Town's website.

Council Member Stegman told Mr. Stancil that she was strongly interested in "over-sampling" with the next survey in order to get more representation from the full range of community residents.

Council Member Buansi asked about the process for non-English speakers, and Mr. Tatum explained that most ETC call centers were bi-lingual and did follow-up calls when the respondent answering the phone did not speak English. In addition, there were phone numbers for different languages on the mailed material, he pointed out.

Mayor Hemminger noted that the Town had been doing a lot in recent months to address the parking issue. Mr. Tatum replied that it would typically take about a year for that to be reflected in survey results. If there was high usage, response time would be faster, he said.

The item was received as presented.

3. Open the Public Hearing on the November 6, 2018 General Obligation (G.O.) Bond Referendum and Bond Order.

[\[18-0419\]](#)

Business Management Director Ken Pennoyer gave a PowerPoint introduction to the 2018 Affordable Housing (AH) bond referendum and bond order. He explained that a single order and single question on the November 2018 ballot would authorize the Town to issue up to \$10 million of AH bonds. A successful referendum would give Council the authority to issue those bonds within a seven-year period, with a possible three-year extension, he said.

Mr. Pennoyer pointed out that the Council had adopted a Preliminary Findings Resolution in March 2018 and had introduced the bond orders and set the public hearing in April. The current public hearing was regarding up to \$10 million of general obligation AH bonds, and the Council's final action would be to adopt that order and set the ballot question on May 23, 2018, he said. Mr. Pennoyer explained that the proposed wording for the ballot question and order was from state statute and gave a good deal of flexibility with regard to how the funds would be spent.

Clair Thananopavarn, a Smith Middle School student, spoke in favor of the bond order and said that AH was necessary for the well-being of the community. She expressed concern about residents who were being evicted with short notice from mobile home parks slated for development. Ms. Thananopavarn asked if those residents would be able to attend the same schools after the Council found new homes for them, and if they would have transportation to school. She asked the Council to prioritize the issue, adding that it was important to her personally because diverse schools were better schools.

Mayor Hemminger thanked Ms. Thananopavarn for speaking. She pointed out there would be at least 18 months "once the clock starts ticking on the property." The Town was working on the situation as fast as it could and was having conversations about schools and transit as part of that process, she said.

Susan Thananopavarn, a Chapel Hill resident, expressed support for the affordable housing bond and advocated for the more immediate needs of the mobile home park residents. She thanked the Council for working on behalf of those residents and said that the citizens of Chapel Hill cared a great deal about what happens to them.

Ms. Thananopavarn noted that current national policies had been extremely hostile to low-income, Latino, and undocumented workers and families. She pointed out that ICE (U.S. Immigration and Customs Enforcement) had recently conducted raids in Chapel Hill and had taken away several community members who had no criminal records. Ms. Thananopavarn said she knew that the Town abhorred such actions. She said that supporting residents of the Town's mobile home parks was a way to help those who were among a group being attacked in the nation at large.

Jaclyn Holland, a French teacher at Estes Hills Elementary School, thanked the Council for its support of the Lakeview Mobile Home Park families. Many of the children from that community study in her classroom, she said. She told about their academic achievements and said that some had become leaders in the World Language classroom and in the school as a whole. Lakeview families were also an asset to the larger community and she supported the Town's efforts to ensure the security and affordability of their housing situation, Ms. Holland said. She asked the Council to

prioritize the needs of those families.

Julie Kemper, a Special Education teacher at Estes Hills Elementary School, thanked the Council for its commitment to AH. She shared a story about reading a book about camping to a child and having the child comment that people sleep in tents when they don't have an apartment or trailer. That child had been speaking from experience and the incident had inspired her to become a teacher, Ms. Kemper said. She said that she remembers that child when she thinks about the families at Lakeview.

Laurel Stolte, a reading specialist at Frank Porter Graham Elementary, said that she currently worked with several students from Lakeview and had seen the stress that uncertainty had caused them. She and her husband had considered leaving Chapel Hill because of its lack of diversity, but they would much rather partner with the Town to ensure that it becomes more inclusive, she said. Ms. Stolte told Council members that she and her colleagues wanted to have a better understanding of the timeline and next steps with regard to Lakeview families. They would also like to support the Council as it negotiates with developers and works to secure proactive changes in development processes, she said.

Kim Talikoff, a teacher at Estes Hills Elementary School, said that she appreciated that the Town Council and the Orange County Commissioners shared the teachers' concerns about the potential displacement of mobile home residents. Teachers were eager to hear how immediate and long-term costs associated with the relocation would be funded, she said. She pointed out that families were living under tremendous uncertainty and housing insecurity, and she asked the Council to share a concrete timetable. Teachers did have confidence in the Council's leadership and its resolve to ensure that those families were not forgotten, Ms. Talikoff said.

Brian Curran, a former Police Chief and current Habitat for Humanity board member, thanked the Council for its commitment to AH. As a police officer, he had seen the uncertainty and anxiety that lack of safe, decent, affordable housing had caused many in the community, and he had seen, first hand, how obtaining it had changed their lives, he said. Mr. Curran encouraged the Council to put the AH referendum on the ballot in November and said that he thought it would be successful.

Vanessa Woods, a best-selling author and research scientist at Duke University, said that she and her husband had been researching the issue of dehumanization. She had planned to participate in a documentary at Estes Hills Elementary School regarding diversity, but had stopped that because some of the most vulnerable members of the community were about to be displaced, she said. Ms. Woods said that she and other professionals were ready to help and would willingly pay more taxes for AH.

Michael Rogers, representing DHIC, thanked the Town for its past and ongoing support for AH. He could not emphasize enough how important the bond was to the continued success of AH in Town, he said, adding that he looked forward to continuing opportunities to partner with the Town.

Mayor Hemminger told Mr. Rogers that the Town would be in touch with him regarding upcoming AH opportunities.

Douglas Call, a Habitat for Humanity volunteer, pointed out that Habitat had experience with getting the word out to people. He offered those resources and contacts to help spread the word about the importance of the bond referendum and told Council members to let Habitat know what it could do to help.

Mayor Hemminger expressed appreciation for all the comments and the passion that speakers had expressed. The Council also cared about the issue, she said, noting that staff had been working hard and partnering with Orange County and the Family Success Alliance regarding mobile home park issues. She pointed out that the mobile home park developer had not yet put a proposal forward.

Mayor Hemminger said that Chapel Hill wanted to remain a diverse community, a place for everyone, and that the AH bond would help by providing the resources to help meet that goal. She mentioned a recent Council meeting regarding the Town's Public Housing Master Plan and said that staff was looking at all of its sites and believed there were paths to solutions.

Council Member Schaevitz thanked residents for coming and speaking. Family Success Alliance had been doing a lot of work with residents, but teachers were the ones working with the children in the schools every day, she said. Council Member Schaevitz asked staff what could be done to provide updates to teachers.

Mr. Stancil replied that he would call School Superintendent Baldwin the next day and discuss how to do that in a smart way. The Town was already partnering with her on AH issues, he said.

Council Member Schaevitz replied that it sounded wonderful but that she had been thinking about a more direct line of communication from the Town to a teacher list-serve of some kind.

The group of teachers seated in the audience indicated that such communication would be most helpful to them, and Mr. Stancil agreed to arrange it.

Mayor Hemminger pointed out that some information pertaining to families had not been posted on the Town website. The state legislature had not been friendly on that topic and she had also received calls from some

people who felt the Town was breaking the law. The Council did not want to put people in harm's way and wanted to work with the families directly, she said. Mayor Hemminger stated that communicating with teachers was fine but that information would not be broadcast out.

A motion was made by Mayor pro tem Anderson, seconded by Council Member Parker, that this Item be continued to May 23, 2018. The motion carried by a unanimous vote.

4. Open the Public Hearing: University-1 Land Use Management Ordinance Text Amendment.

[\[18-0420\]](#)

Senior Planner Aaron Frank gave a PowerPoint overview of a Land Use Management Ordinance (LUMO) text amendment for the University-1 zoning district. He said that the Planning Commission had recommended approval, and that staff was recommending opening the public hearing and then continuing it to June 27, 2018. The text amendment was one of three items associated with the Municipal Services Center (MSC) proposal, he said.

Mr. Frank explained that the University-1 zoning district had been created in 2009 in relation to Carolina North. It included base standards of Office/Institutional-4, which encompasses UNC's main campus, he said. The proposal before the Council was to eliminate the maximum 20-year term limit for a development agreement (DA) and the requirement for a minimum of 25 acres, he explained.

A motion was made by Mayor pro tem Anderson, seconded by Council Member Parker, that this Item be continued to June 27, 2018. The motion carried by a unanimous vote.

5. Open the Public Hearing: Application for Zoning Atlas Amendment - Municipal Services Center, 1050 Estes Drive Extension.

[\[18-0421\]](#)

Assistant Police Chief Jabe Hunter introduced the Municipal Services Center (MSC) item. He said that the Council had identified the need for a new location in 2014 and staff has been working since then to find a location. In January 2017, the Council had authorized staff to begin negotiating a development agreement (DA) for a piece of UNC property on Estes Road Extension, he said.

Chief Hunter described visioning and community engagement sessions that had subsequently been held and said that participants had identified factors that were important to the community, particularly to those in the nearby Elkin Hills neighborhood. After the initial kick-off, six additional public meeting sessions had been held around specific topics, and an additional session was also held at the community's request, he said.

Assistant Town Manager Mary Jane Nirdlinger said that stakeholders had worked hard to reflect the best interests of the Town in the draft DA but that there might still be some unmet desires. She said that three related actions would be presented. These included the text amendment, a public hearing on the rezoning, and a public hearing on the DA.

Mayor Hemminger then opened the public hearings for the rezoning and DA. She clarified that both were open and that people could speak on either or both.

Mr. Frank provided information regarding the rezoning of two University-owned parcels. These would be rezoned from OI-2, which was intended for private development, to U-1, which was intended for private or public development for college/university research activity and civic or municipal uses. U-1 would allow for a DA, and the DA would permit tailored land uses and standards and allow for long-range developments to be crafted between the University and the Town, he said. Mr. Frank said that staff saw the rezoning as being consistent with the Town's 2020 Comprehensive Plan.

Mr. Frank said that the Town was reaching the finalization stage of the DA process and that the DA had been presented to all advisory boards for comment. He recommended opening the public hearing and then continuing it to June 27, 2018.

Mr. Frank provided an overview of the proposed joint Town/UNC development. Phase 1 would consist of about 72,000 square feet, with a total build-out of 200,000 square feet, he said. Key characteristics included a 100-foot buffer and a 4-story maximum height, he said. He noted that a fire station on the site has been discussed but was not being proposed as part of the current DA.

Mr. Frank pointed out that the community's guiding principles had been an exhibit to the development agreement and would be recorded with it. He said that staff believed it had incorporated those principles in the DA, the design, and the standards. He said that a property appraisal had been performed and had anticipated no impact to adjacent property values. With regard to a community request to preserve 50 percent of the property for land conservation, staff had achieved about 45 percent and was trying to reach 50 percent, he said.

Mr. Frank highlighted aspects of the proposal that might affect the scope and/or cost of the project. These included providing full infrastructure for enhanced stormwater management for the 50-year storm event with the first phase of development. Another was to achieve LEED Silver certification and AIA 2030 goals. Others pertained to 20 percent of spaces being for electric vehicles, solar readiness, and adaptive reuse of the parking deck.

Council Member Parker asked if any consideration had been given to having stormwater be some percent better after construction rather than having it be no worse than before construction. He wanted to understand if the project would improve run-off conditions for the surrounding neighborhoods in a routine storm, he said.

Eric Schoenagel, with Little Diversified Architectural Consulting, replied that the design for the 50-year storm would have more impact on a routine storm event as well, and Council Member Parker clarified that run-off from any lesser event than the 50-year storm would be at less than pre-construction run-off from a similar event.

Council Member Stegman asked if the Town or the University would pay for the parking deck, and Ms. Nirdlinger replied that the DA anticipated a cost-sharing structure with the University for all shared infrastructure.

Mayor pro tem Anderson asked why LEED Silver was being proposed rather than simply achieving that level but not paying for certification.

Ms. Nirdlinger replied that a Council resolution required that Town buildings achieve that certification unless the Council gave an exemption.

Mayor Hemminger confirmed that the Town could build to, and reach the top standards but not have to go through the expensive certification process.

Ms. Nirdlinger agreed to bring back information regarding that, including a range of costs.

Council Member Oates confirmed with Ms. Nirdlinger that the cost sharing agreement with UNC was anticipated to be proportional to what each entity actually uses and needs on the site. She also confirmed that all buildings would be a maximum of four stories, total build-out was 200,000 square feet, with the MSC being 75,000 square feet with a possible expansion to 100,000 square feet. As the DA was currently written, the Town and UNC could each build to a maximum of 100,000 square feet, Ms. Nirdlinger explained.

Council Member Oates asked if what the University wanted to build would be reviewed by community members.

Ms. Nirdlinger replied that the University did not yet have a building program. The DA anticipated some additional notification and engagement around future buildings and was modeled after the perimeter transitional area requirements in the Carolina North DA, she said. Ms. Nirdlinger clarified that there was a mechanism included for communication at the annual meeting, or through the report, and then a notification when something was intended to be built.

Council Member Oates asked if the community was okay with that, and Ms. Nirdlinger said that the information had been shared with them and it would be good to hear from them directly about whether it met their interests.

Council Member Buansi asked what the procedure would entail when an applicant sought a major modification to the DA and if it resembled a SUP process.

Mr. Frank replied that the DA process, which was not quasi-judicial, allowed for conversations and some review prior to a public hearing. It did require a second public hearing for action, he said.

Maria de Bruyn read a statement about the health benefits of trees and noted areas in Town where trees had been clear cut. The proposed project would eliminate much of the woods bordering her Elkin Hills neighborhood, she said, and she asked that the DA be changed to permit replanting those areas with native vegetation only. Ms. de Bruyn said that her neighborhood was opposed to paving, and she said that less of the site would need to be raised if the Town would build only the MSC.

Carmen Elliott, an Elkin Hills resident, agreed with Ms. de Bruyn's statement regarding native plants and asked the Council to make sure that the DA's wording is clear and, if possible, mirrored the guiding principles for Elkin Hills. She asked that natural areas be left intact and that the DA's wording be changed to delete any reference to a recreational park. Ms. Elliott said that it would make much more sense to leave the site as quiet and natural as possible rather than having trails run through it. She asked Council members to encourage any future Council to "think with deep empathy" about putting a second building on the property and to consider putting it somewhere else.

Tim Williams, an Elkin Hills resident, spoke about stormwater management downstream from the property, stating that he had understood that a plan would be developed in concert with the MSC. However, the DA says that the Town will "evaluate," he said, adding that neighbors want to see more of a commitment to downstream management. Mr. Williams also said that an attached document had listed some approved land uses that seemed inappropriate, such as independent senior living, daycare, and a drive-in ATM. He asked to be reassured that the Town did not plan to include such uses.

Fred Stang, an Elkin Hills resident, asked Council members to include the neighbors' concerns in the DA. He said that many had been reflected but there still were other concerns such as those that other speakers had just expressed. Mr. Stang said the neighborhood believed that the Town should scrap the plans to build a second municipal building on the site and consider locating that on the current police station site once that has been remediated. Mr. Stang requested removal of a phrase in Section 5.5F

regarding stormwater being no worse than it currently was. He thanked the Town for attempting an appraisal, but said that the "consulting assignment" had not done what they wanted.

Whit Rummel, a Planning Commission member, pointed out that the Commission had voted unanimously to move the project forward. He had attended several public forums and had watched the plan grow into something pretty great and he expected that to continue, he said. Mr. Rummel endorsed the DA and said that the site seemed like the perfect location for a new police station.

Mayor pro tem Anderson ascertained from Ms. Nirdlinger that native species had not been included due to concerns about whether it could meet all of the screening needs. However, staff would talk with UNC and Town landscape staffs and bring back more information in June, she said.

Mayor pro tem Anderson confirmed with Ms. Nirdlinger that she would bring back more specific language regarding stormwater improvements downstream. She also verified with Ms. Nirdlinger that the reference to a recreational park was an error and would be removed.

Mayor Hemminger said that there seemed to be a strong interest in not having the path paved, but Ms. Nirdlinger replied that staff had received conflicting opinions on that. The Stormwater Utility Commission had recommended not paving it while the Transportation and Connectivity Advisory Board had been considering a greenway that would be paved, she said. Ms. Nirdlinger pointed out that ADA standards could be met either way. Unless the Council had a specific opinion, she would return with options in June. Ms. Nirdlinger said.

Mayor Hemminger asked if porous pavers would be an affordable option and Ms. Nirdlinger agreed to check.

Council Member Parker recommended building some amount of funding into the project for whatever offsite improvements are chosen. He asked for information on using the building for public meetings, at least after hours. Council Member Parker also asked about the term of the lease with UNC.

Ms. Nirdlinger explained that the lease would be a separate agreement and the current understanding was that UNC could do a 29-year lease of its own accord. UNC's board of Trustees had approved the draft lease and the DA and lease would be executed concurrently, she said.

Council Member Parker asked about the list of approved uses that seemed irrelevant to the project, and Ms. Nirdlinger replied that staff would redo that section and eliminate anything that did not need to be there.

Council Member Gu, the Council's liaison to the Transportation and Connectivity Advisory Board, confirmed that Ms. Nirdlinger would look at the conflicting concern about the trail and return with options. Council

Member Gu said that it was extremely important for staff to do the research and communicate clearly with the community about what it can and cannot control regarding stormwater runoff. The subject was highly technical and needed to be communicated clearly, she said.

Council Member Buansi asked about Provision 5.17 regarding noise. He noted that he had recommended posting signs in the neighborhood during construction as well as at the construction site.

Ms. Nirdlinger replied that Council Member Buansi's recommendation had led to a discussion with community members, who had decided to establish periodic meetings with a few folks who would help communicate such information out to the larger neighborhood.

Council Member Buansi replied that he would defer to the neighborhood's preferred means of communicating.

With regard to the paved versus unpaved path, Mayor Hemminger pointed out that paving could always be done later while un-paving was not typical. After some discussion, she said that the Council would be okay with a natural surface as long as it met connectivity and mobility goals. She said that she agreed with others regarding stormwater management downstream and with deleting the uses that were not anticipated for that site.

Mayor Hemminger said she agreed with Council Member Parker's interest in meeting space, and Ms. Nirdlinger said that conversations had already begun about the internal layout of the building to meet those interests.

Mayor Hemminger said that she had previously argued that having all native plants would be too limiting, but was willing to concede on that.

Council Member Bell said that she, too, would like to hear more about stormwater mitigation as part of the cost of the project. With regard to plants, she said, "native first and non-invasive second; don't ever do invasive."

Mayor Hemminger said that staff would revise the DA, communicate with the community, and return on June 27th. The Council voted unanimously to recess both public hearings to June 27, 2018.

A motion was made by Mayor pro tem Anderson, seconded by Council Member Schaevitz, that this item be continued to June 27, 2018. The motion carried by a unanimous vote.

6. Consider an Application for a Development Agreement - Town and University Joint Operations Center, 1050 Estes Drive Extension.

[\[18-0422\]](#)

A motion was made by Mayor pro tem Anderson, seconded by Council Member Schaevitz, that the Council recess the Public Hearings until June 27, 2018. The motion carried by a unanimous vote.

8. Update: Land Use Management Ordinance Text Amendment [\[18-0424\]](#)
Regarding Modifications to Historic District Commission Related Sections 3.6.2 and 8.4.

Community Resilience Officer John Richardson provided an update on possible modifications to sections of the Land Use Management Ordinance (LUMO) pertaining to the Historic District Commission (HDC) and asked the Council to cancel the current meeting. He reviewed the process thus far, which had begun with a Council Committee on Boards and Commissions proposal to improve clarity around HDC decisions.

Mr. Richardson said that staff had presented an update in February 2018 and had then distributed a draft ordinance to the Planning Commission and the HDC on April 29, 2018. The HDC was interested in being involved in co-developing the text amendment language and staff was asking the Council to cancel the evening's public hearing in order to allow more time for them to provide that input, he said.

A motion was made by Mayor pro tem Anderson, seconded by Council Member Oates, that the Council close the Public Hearing. The motion carried by a unanimous vote.

7. Status Update Regarding the March 14, 2018 Blue Hill Petition. [\[18-0423\]](#)

Director of Planning and Development Services Ben Hitchings provided an update on a Blue Hill District (BHD) petition that the Council had forwarded to the Mayor and Town Manager on March 14, 2018. The petition asked for feedback on three issues: increasing non-residential development with density bonuses or other mechanisms; identifying strategies for providing more affordable housing; and, addressing building size and massing concerns to improve place-making and visual/pedestrian permeability.

Mr. Hitchings said that the LUMO text amendment would be the focus of the current discussion. He outlined the process thus far and requested that the Council receive information and provide feedback that staff could use when bringing forward a formal proposal on May 23, 2018.

Economic Development Officer Dwight Bassett talked about the potential for development in two areas of the BHD. Area 1 included the Berkshire Apartments, Village Plaza, Staples, Eastgate, Mariakakis, Fordham Boulevard Apartments, and Elliott Square. Area 2 included the Park Apartments and the old Red Cross sites, the UPS store, Holiday Inn, Rams Plaza, the former Volvo dealership, Hong Kong Buffet, the Europa office

building, the Sheraton, Greenfield, the Ford dealership, and other small parcels. He talked about where the opportunities for redevelopment might occur and reminded Council members that nearly half of the BHD consisted of retail and restaurant uses.

Mr. Bassett said that there had been some flattening of market rates in some of the residential complexes, which meant that only the newer rental rates were pushing the limit. The traditional pattern started with residential and built a need for retail and restaurants, and that appeared to be happening with retail and restaurant strengthening in Eastgate, Elliott Square, Rams Plaza, and Village Plaza, he said. Mr. Bassett discussed what staff believed would likely be the best near-term redevelopment opportunities.

Mr. Hitchings addressed options for promoting commercial development. The first would be to offer incentives regarding height and location and he discussed the pros and cons of that approach. For example, allowing more height would permit more contribution to commercial development, but it could be difficult for developers to bring forward economically viable projects, he pointed out.

Mr. Hitchings said that the second strategy was related to location. There was much market demand for commercial development in the BHD, but there was much unmet housing need in Town as well, he pointed out. A continuing strong demand for residential development might limit the potential of commercial development as it competes for new space in Town, he said.

Mr. Hitchings discussed several interrelated variables and mentioned different possible strategies. He said that a potential pathway forward might be with a text amendment that would limit allowable residential development in the walkable/mixed-use district. That would not require a map amendment, he said. The approach would be that the multi-family use currently allowed would only be allowed with a special use permit (SUP), Mr. Hitchings explained.

Council Member Buansi confirmed with Mr. Bassett that there was a 30-year agreement with the Holiday Inn landowner regarding uses. Mr. Bassett said that the landowner was leasing the land to a management company that had leased it to the operating company that was running the hotel. He was not sure how many years of the contract had passed he said. He described a complicated arrangement in which all parties had legal rights and must all be in the room during negotiations. There had been multiple lawsuits regarding the property since 2013, Mr. Bassett pointed out.

Council Member Oates confirmed with Mr. Hitchings that the SUP suggestion would reinstate the Town's leverage to ask for AH. After the initial text amendment, staff could look at more specific opportunities to

use it to do so, Mr. Hitchings said.

Council Member Oates questioned whether there was adequate demand for housing, noting that The Berkshire was struggling to fill up and had lowered its rents in order to get more leases. Where did the Town get the idea that it needed more apartments, she asked.

Mr. Bassett explained that the Town had been building a housing type that had limited its market draw and that its housing unit numbers had not grown in the way that Durham, Cary, Raleigh and other towns had. Demand for housing in Chapel Hill was high because of the Town's brand, its school system, and so forth, he said. Mr. Bassett pointed out that Chatham Park would be like a new city and could take market away if the Town was not competitive for jobs and housing.

Mayor pro tem Anderson asked if a district tax would be another method of obtaining AH.

Mr. Hitchings replied that a framework existed for a Municipal Service District but he did not know the details.

Mayor pro tem Anderson said that she wanted to point out that there could be a district tax through which the Town could create funding to build AH units. She then asked about the incremental tax base that was supporting roads and how well the Town was meeting those targets, and staff agreed to bring back that information.

Mayor pro tem Anderson asked why the Town had targets for residential and commercial development if the target for residential had not led to the desired commercial development.

Mr. Bassett replied that targets had been based on conversations with property owners during planning about what they would do if the Town went forward with the district. It was more of a projection of what they thought would happen, he said.

Mayor pro tem Anderson asked if there had been no thought to what a healthy district would look like. Had the Town created the BHD under the premise that it could end up all residential, she asked.

Mr. Bassett replied that there had been very specific interest in balancing it, but they had not seen a path for dictating where office and retail would go because there already was a large retail mix. Planners had done a market analysis to figure out how much market capacity there was to support anything -- whether it be residential, office, or retail, he said.

Mayor pro tem Anderson confirmed with Mr. Bassett that something other than what was predicted had happened. To get back into balance, the Town should at least try to create an environment where there could be a

mix of both, she said. She noted that the BHD had been over-performing in terms of residential despite the Council having stated many times that the Town needed more commercial development. Mayor pro tem Anderson said that allowing the few spaces left in Town to be residential would mean giving up on commercial development.

Mr. Bassett said that specific locations, such as the Ford Dealership, were prime parcels for commercial or mixed-use development. The Town absolutely needed commercial space, specifically office space, he said. Mr. Bassett said that he did not think the BHD could support much more retail until it had "found its ground and refined itself."

Mayor pro tem Anderson said that issue really was about how fast the Town wanted change, and Mr. Bassett replied that it also included what was projected in the financial plan pertaining to infrastructure improvements and development projects that create tax revenue.

Mayor pro tem Anderson wondered what the Town would be giving up if the incremental tax rate slowed down. She confirmed with Mr. Bassett that the Town would not be in debt but might not be able to address Legion Road quite yet.

Council Member Stegman said that the item was a huge amount of information to absorb at 11:00 pm and that she felt too rushed to make a thoughtful decision. It would be a mistake for the Council to make decisions that end up having the BHD half done, she said. She said that she was glad the Council was tweaking and improving the goals but did not want to do things that would unintentionally stop or slow things down.

Council Member Bell asked about the build-out timeline for this project, and Mr. Bassett replied that it had changed and that he would bring actual projections back to the Council.

Council Member Bell said that there had been a limited number of plots at the start that had been easy to develop and that two had been completed. She noted that there had been a simultaneous increase in commercial tenants and strong occupancy at all of the area's shopping centers. She confirmed with Mr. Bassett that there was a stronger retail base being created even though there were not many new buildings.

Council Member Bell said she agreed with Council Member Anderson that the original process anticipated using proceeds from the BHD to support other things the Town wanted, such as AH, street networks, parks, and greenways. She expressed several concerns about bringing an SUP process into a form based code process and asked for more information about adding restrictions and increasing Office/Institutional use in those areas.

Council Member Parker said there must be a reason why there was so much more residential development than commercial. He wondered if

residential was intrinsically more profitable and, if so, whether that situation was temporary and likely to change at some point. He would like to have those answers before proposing solutions, he said.

Council Member Parker said he wondered if the Town needed to take a regulatory approach and prohibit some things. Or, perhaps there were positive incentives that would make commercial use more attractive and/or lucrative to developers, he said. He proposed that the Town explore the reasons why it was not getting commercial development and if there were incentives that could be used to attract that.

Mr. Bassett confirmed that Council Member Parker meant office, specifically, when he said commercial. He said that the Town had lost, and not recaptured that market since the great recession and had been trying to rebuild it and had looked at tools to encourage that on many occasions.

Council Member Parker asked if the issue was profitability, or the risk associated with not getting financing due to not being able to find sufficient tenants. If developers had tenants, would commercial be as profitable as residential, he asked. He wondered if there were incentives, or partnerships, or other ways to help developers find tenants. Council Member Parker confirmed with Mr. Bassett that the Town might not get commercial development even if it prohibited residential development in some way.

Mr. Basset pointed out that Carolina Square had only one vacant floor left and that The Station at East 54 was 100 percent leased. That was a huge step toward recapturing the office market, but the Town might need to incentivize or find other ways to encourage other developers to take risks, he said.

Council Member Schaevitz asked Mr. Hitchings to clarify that changing walkable/commercial use to residential use through the SUP process would not prohibit residential and that a commercial use get all of the speed and predictability of the form based code. Would the Town just be saying that having residential use meant having to be part of the SUP process, she asked.

Mr. Hitchings replied that there could be an SUP process with form based code requirements. The Town's form based code happened to include administrative review, but that was not inextricably linked to form based code in general, he said. Mr. Hitchings agreed that there would be no problem with certain uses in form based code being only allowable through a SUP process. Staff could certainly structure that, he said.

Mayor Hemminger asked Tony Sease, a consultant with Civitech, Inc, to comment. She summarized that the Town wanted more commercial development and felt that letting the remaining parcels go for residential

development would mean never having more commercial in the BHD because there would be no more sites. She asked Mr. Sease for his opinion about the best approach, based on his experience.

Mr. Sease replied that, nationally, the issue pertained more to the lending question. Over the past six to eight years, investment money had been flowing to residential projects, where there was unmet demand, he said. He explained that lending for commercial projects had been more difficult because of the pre-leasing requirements associated with that.

Mr. Sease said, however, that dynamic seemed to be changing and that he had recently talked to a lender who was no longer even looking at residential development. However, it would be a momentous shift to just categorically eliminate the possibility for residential development, he said. Mr. Sease added that it would also be a big shift to "kick it into the SUP process."

Mayor Hemminger said that her Real Estate Company had taken a risk and invested in an empty office building, which had then leased out. Office space vacancy was very low in Town, she said, and she pointed out that commercial development was what the Council had said that it wanted. If the Town states that commercial is what it will allow, then developers will find a way to do that, she said. Mayor Hemminger cautioned that, otherwise, the BHD would not be the live/work/play neighborhood that the Town wanted it to be.

David Adams, a Colony Woods resident, said that the BHD had enabled gentrification by allowing luxury residential development. He encouraged the Council to find a way to include AH and commercial development in the remaining plots. Goals for the district had not been met and that the area was out of balance, he said.

Mr. Adams argued that extending form based code to the American Legion property was a ridiculous idea and said he supported using that site for a park. Although he understood that AH was a dire need, it should have gone into the BHD and the Town should not have to sacrifice a desperately needed park for that, he said. Mr. Adams stressed that he was not a "NIMBY" and said he would be willing to have four or five small affordable homes on flat property behind his house.

Anne Brashear said she agreed with Mr. Adams, especially about the American Legion property, which she thought should be an open area. Allowing developers to cut down every tree on the lot would really be doing a disservice, she said.

Bill Brashear recommended that the Council consider how constructing buildings that block sunlight can affect neighbors' solar capacity. He also said that tall buildings with a lot of glass would reflect the sun along Ephesus Church Road and blind passing drivers. Mr. Brashear

recommended putting non-reflective surfaces on those buildings. He said that it would be wonderful to encourage commercial development but that the land and trees needed to be protected.

Council Member Stegman spoke about not undermining the goals of the district and said she agreed with those who did not want to introduce a SUP process. She confirmed with Mayor Hemminger that a little more than half of the Town's 22,000 dwelling units were rental units. Council Member Stegman said that rents were going down at The Berkshire and that was what the Town wanted. She expressed concern about potential unintended consequences of making decisions too quickly and said she wanted to have an opportunity to weigh all factors before making a commitment.

Council Member Gu confirmed with Mr. Hitchings that approximately 1,200 units had been approved but not yet been built in the BHD. She said that such information should be part of discussions about whether or not there were enough apartments in that area and if the Council needed to encourage more diverse development. She noted the importance of taking all impacts into account when evaluating a project, not just tax revenues. Council Member Gu pointed out that more commercial development would bring more balance to the district.

Council Member Parker said that everyone wanted more commercial development and wanted to radically slow down or stop residential development, at least in the BHD. He said that an unintended consequence of requiring building taller than three stories to include commercial space would be a lot of three-story buildings in Town. Those kinds of incentives really had to be thought through very carefully, he pointed out.

Council Member Parker said he would rather not have the escape valve of the SUP. He argued that the promise of a small number of AH units, or a relatively modest payment in lieu, was not worth the possibility of giving over the last bit of land for residential development. He said that he would rather just zone the lots as commercial, period. That could always be reversed in a few years if the Town did not get commercial development, he pointed out.

Council Member Parker spoke against using the false promise of AH to justify building more residential than the Town wanted. Moreover, if the Town were to take the action he was recommending, he would urge staff to also look for incentives, if needed, for commercial development, he said.

Mayor pro tem Anderson said she agreed with Council Member Parker's recommendation, noting that the few remaining parcels were already zoned for commercial development. As long as the Town was not putting itself in the position of not being able to pay for road infrastructure, she

was would rather wait for quality, than get quantity now, she said.

Council Member Oates stressed making sure that all parcels would be covered, either by zoning them as commercial or coming up with a SUP for the small parcels that had no particular intention on them. She said it was ridiculous to expect to get 300 AH units when the Council had gotten rid of any leverage it had to do so. The Town expanded the BHD to get 150 AH units at Greenfield and then got 60 more from a very unique situation, but it needed to come to terms with the fact that it was not going to get any more, she said.

Mayor pro tem Anderson confirmed with Mayor Hemminger that the Council would tackle the issue of massing another night.

Council Member Stegman noted that Mr. Bassett had said one of the parcels could make an interesting mixed-use development. She wondered if there were any parcels that might be suitable for a combination of commercial and residential use, she said. Council Member Stegman spoke against the SUP, stating that it would just make the process long and expensive.

Council Member Bell pointed out that the BHD was not an island and that other businesses were nearby. She wondered if there was anything the Council could do via policy to create more office space. She proposed that Council members broaden their outlook and that Mr. Bassett tell them what policies needed to be in place in order to develop new Class A office space in the BHD.

Mayor Hemminger agreed with doing something to keep the remaining three parcels commercial. She said that the SUP idea would drag the process out and make it messy. It would lead to some commercial, but it would create residential as well and that was not the intent, she said. She pointed out that the Council could have another, longer discussion about AH and the Town's Inclusionary Zoning policy and said she was not interested in expanding the form based code until it was right. With regard to the Legion Road property, Mayor Hemminger said that she wanted that to remain a public process and did not think form based code would allow much public input.

Mayor Hemminger told Mr. Hitchings that the Council preferred something that would work better than throwing an SUP into the process.

Mr. Hitchings confirmed with Mayor Hemminger that the Council wanted to create a new district that would only allow non-residential uses.

Mr. Stancil pointed out that the May 23rd public hearing would be the first one on the massing changes. Since the Council had not discussed those changes tonight, the public hearing would begin without any Council feedback, he said.

Mayor Hemminger asked if the Council could have a short discussion at its work session the following week, and Mr. Stancil agreed to investigate that but noted that it would not be short.

This item was received as presented.

9. Presentation: Greene Tract Considerations. [\[18-0425\]](#)

The Council agreed to defer this item to its May 23, 2018 meeting.

10. Update on Council Committee Work Regarding the Amity Station Development Agreement. (no attachment) [\[18-0416\]](#)

Mr. Hitchings reported that a Council subcommittee had held five negotiating sessions on the Amity Station DA and a key issue had been student restrictions. Staff would be getting more market analysis to better understand the financial impacts, he said. Mr. Hitchings said that the next meeting would be held on May 24th.

Mayor Hemminger replied that there were age-restricted places in Town that could use some of that data as well.

Mayor pro tem Anderson noted a recent conversation about how other factors -- such as being employed and/or not needing co-signers -- could yield an age restriction.

This item was received as presented.

ADJOURNMENT

The meeting was adjourned at 11:57 p.m.